**CHARLES UNIVERSITY IN PRAGUE**
**FACULTY OF SOCIAL SCIENCES**
**INTERNATIONAL ECONOMIC AND POLITICAL STUDIES**

**MASTER'S THESIS**

# EXTENDED PRODUCER RESPONSIBILITY: POTENTIAL AND LIMITS

## An Analysis of EPR in Theory and Practice

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| Author | **James King** |
| Subject: | **IEPS** |
| Academic Year: | **2013/2014** |
| Supervisor: | **Mgr. et PhDr. Kryštof Kozák, PhD.** |
| Date Submitted: | **16.05.2014** |

Master Thesis Proposal

Institute of Political Studies
Faculty of Social Sciences
Charles University in Prague

Date: 15 May 2014



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|---|---|---|---|
| Author: | James King | Supervisor: | Krystof Kozak, PhD. |
| E-mail: | James.king@email.cz | E-mail: | kozak@fsv.cuni.cz |
| Phone: | 773070701 | Phone: | 608477485 |
| Specialisation: | IEPS | Defense Planned: | 01/06/14 |



Proposed Topic:

**Extended Producer Responsibility: Plausible or Impossible?**

Registered in SIS: Yes Date of registration: 07.03.2011

Topic Characteristics:

Go to any major city around the world - any aggregation of people, for that matter - and you will find the same problem: piles of waste, inhabiting ever-growing rubbish dumps, and how to dispose of it.

The basic principle of waste disposal around the world hardly differs. Producers produce, consumers consume and the state steps in to manage the disposal of the used goods. In the developed world, this works relatively well, but in the developing world, where the state is often weak or offers few services, this can result in the waste lying around unprocessed, polluting environments, both human and natural, and causing harm to those who live within them. The problems in the developed world differ from those of the developing world. Waste is managed, but at a high cost to the public coffers, and often with less than desirable effects. Dumping the waste, though cheaper, results in contaminated land that may never recover, at least not in the lifetimes of anyone currently living. Incineration causes harmful pollution. Recycling is expensive, inefficient and consumes a great deal of energy.

In response to this growing crisis a number of methods have been developed. The thesis will focus on one of them, known as Extended Producer Responsibility and its effectiveness as a solution to the problem of waste management. In particular, the experience of one state from the United States of America, Maine, which has implemented the most sweeping EPR legislation enacted thus far, will be examined to determine whether EPR is a viable option for a growing problem.

Extended Producer Responsibility essentially internalises the cost of waste management into product prices.

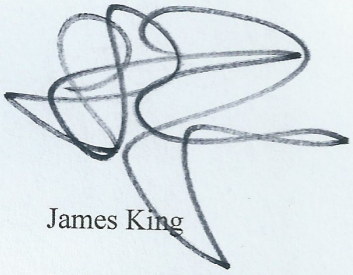
Working hypotheses:

1. The current system of waste disposal is ineffective and fraught with negative outcomes.
2. Internalising the costs of waste management to the level of the producer results in more recycling and better, more environmentally-friendly product design.
3. Extended Producer Responsibility is a viable option that can be further spread throughout the world.

Methodology:

**DECLARATION:**

I hereby declare that this thesis is my own work, based on the sources and literature listed in the appended bibliography. The thesis as submitted is 90, 848 keystrokes long (including spaces), i.e. 62 manuscript pages.



James King

In Prague on 16.05.2014

The thesis will be both a quantitative and qualitative study of Extended Producer Responsibility as a concept. The thesis will then turn to a case study of Maine's pioneering laws instituted in 2010 which provide a solid EPR framework. This case study will be used to determine the viability of Extended Producer Responsibility as a system for use worldwide in the battle against waste.

Outline:

1. Introduction
2. What is Extended Producer Responsibility?
3. History of EPR
    1. planned obsolescence
    2. container deposit schemes
    3. voluntary/negotiated systems
4. Electronics and EPR
    - Producer take-back requirements
    - Product taxes (e.g. in CR with fridges)
5. EPR in practice

CASE STUDY - Maine, USA

6. Other ways to reduce waste/over-consumption
7. Recommendations/Conclusion
8. Bibliography

References / Bibliography:


Economist, The (2010) *Governments oblige manufacturers to take back used goods for disposal,* accessed at: http://www.economist.com/node/15825706

Lindhqvist, T. (2000). *Extended Producer Responsibility in Cleaner Production: Policy Principle to Promote Environmental Improvements of Product Systems.* IIIEE Dissertations 2000:2. IIIEE, Lund University: Lund, Sweden

OECD (2001) *Extended Producer Responsibility: A Guidance Manual for Governments,* OECD Publications: Paris

Weisman, A. (2007) *The World Without Us,* Virgin Books LTD: London

Zero Waste New Zealand Trust (2002) *Extended Producer Responsibility: Container Deposit Legislation Report,* accessed at: *http://www.zerowaste.co.nz/assets/Reports/Beveragecontainers.pdf*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**I am confirming hereby the approval which was granted to this thesis by Dr. Hnizdo in 2010/2011:**

15 May 2014

Vladimír Benáček, academic supervisor of the IEPS programme

**Abstract**

Waste management is becoming a hot topic in policy circles. Municipal governments, which are largely responsible for building and maintaining waste disposal networks, are keen to find ways of minimising the cost of disposing of waste and the sheer amount of waste society produces.

Unfortunately, market and corporatist approaches do not take waste management into consideration, rather leaving waste management to local authorities, and without government coercion will usually not concern themselves with environmentally-friendly product design, waste minimisation or the reuse, re-manufacturing or recycling of the product at the end of its life cycle.

Extended Producer Responsibility (EPR) provides a framework for involving the producers of goods in the full life cycle of their products, particularly the end of it. As the name suggests, it is about the extension of responsibility for waste management to the producer, which is in effect an internalisation of the costs of waste management and disposal to the production level.

This thesis undertakes a theoretical analysis of Extended Producer Responsibility and subsequently performs a comparison of two case studies to ascertain the viability of the program in practice. The first case study concerns the Dutch Packaging Covenants of 1991-2005, which utilise a form of EPR called negotiated agreements, while the second case study examines Maine's Product Stewardship Framework, which was the first comprehensive EPR law of its kind.

The thesis finds that the more comprehensively EPR is put into practice, the more effectively it functions. Despite its relative effectiveness, EPR has not been extensively implemented; as a program it has great potential, but is limited by political reluctance to implement large-scale waste management programs and industry opposition to product end-of-life cost internalisation.

**Executive Summary**

Waste management is increasingly a problem all over the world, as municipal governments become overwhelmed by the sheer quantity of waste and the high cost of its disposal. They are, therefore, eager to find other options, that take the responsibility away from the government and place it elsewhere. If the market and corporations cannot manage it, and if privatising waste management is not an option, what other possibility are there?

The thesis focuses on Extended Producer Responsibility (EPR), which seeks to return the responsibility for waste management to the producer of the goods. This can be seen as a means of internalising the costs and difficulties of waste management and disposal at the level of that producer, rather than governments.

There are a number of ways of doing this. Market-driven programs are one possibility, though they are more theoretical than practical. Voluntary programs are undertaken by the producers on their own, and negotiated programs involve agreements between government and industry. Mandatory programs are unpopular with producers, but have positive outcomes. The thesis looks at these processes in practice, and then seeks to determine the most effective method in keeping with the goals of waste minimisation, more recycling and reuse, and environmental protection.

Two case studies are performed to undertake this analysis, one of the Dutch Packaging Covenants, which utilise negotiated agreements, the other being the Product Stewardship Framework of the state of Maine in the United States, which follows a more mandatory approach. A comparative analysis is then performed to determine which program is better suited to the aforementioned goals. Ultimately, it is decided that a mandatory approach, despite the risk of industry opposition, is the

better option, due to its better outcomes.

Plastic waste in particular is discussed in detail, due to the difficulties it poses to traditional waste management and recycling. The thesis decides that EPR can be applied specifically to plastic, as well as other problematic product categories, as a way of increasing its cost and minimising its use.

The greatest shame is that EPR is not implemented more widely. This thesis confirms that it is an excellent method of protecting the environment, without being too economically harmful, and so should be considered by any government, producer or society wishing to reduce waste, increase recycling and protect the environment.

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